

CITY OF RIVERSIDE
BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities
Date of Meeting: October 21, 2005
Time of Meeting: 8:15 a.m.
Place of Meeting: Wastewater Systems Conference Room
5950 Acorn Street (at Jurupa and Van Buren Streets)
Riverside, California

PLEDGE OF ALLEGIANCE TO THE FLAG

No pledge of allegiance to the flag was given because there was no flag present.

Roll Call

Present: Peter Hubbard (Chairman) Jim Anderson (Vice Chair)
 Lalit Acharya Ken Sutter
 Joe Tavaglione Greg Kraft
 Conrad Newberry, Jr., P.E. Dave Barnhart (arrived @ 8:25 a.m.)
Absent: Bob Stockton (absent due to business)
 Joe Tavaglione (absent due to business)

MINUTES

- (1) The regular meeting minutes from the Board of Public Utilities meeting held on September 16, 2005 was approved as submitted.

Motion – Sutter. Second – Acharya.

Ayes: Hubbard, Anderson, Acharya, Sutter, Kraft and Newberry, Jr., P.E.

Noes: None

Abstain: None

Absent: Bob Stockton (absent due to business)
 Joe Tavaglione (absent due to business)
 Dave Barnhart (arrived @ 8:25 a.m.)

- (2) The regular meeting minutes from the Board of Public Utilities meeting held on October 7, 2005 was approved as submitted.

Motion – Newberry, Jr., P.E. Second – Anderson.

Ayes: Hubbard, Anderson, Acharya, Sutter, Kraft and Newberry, Jr., P.E.

Noes: None

Abstain: None

Absent: Bob Stockton (absent due to business)
 Joe Tavaglione (absent due to business)
 Dave Barnhart (arrived @ 8:25 a.m.)

CITIZENS PARTICIPATION

No comments were made.

COMMITTEE REPORTS

FINANCE/MARKETING COMMITTEE REPORT

The Board of Public Utilities accepted and filed the September 23, 2005, Finance/Marketing Committee minutes.

PROPERTY COMMITTEE REPORT

The Board of Public Utilities accepted and filed the October 7, 2005, Property Committee minutes.

ELECTRIC COMMITTEE REPORT

The Board of Public Utilities accepted and filed the October 12, 2005, Electric Committee minutes.

WATER COMMITTEE REPORT

The Board of Public Utilities accepted and filed the October 17, 2005, Water Committee minutes.

CONSENT CALENDAR

A motion was made to approve items on the Consent Calendar with the exception of Item 5, **CANCELLATION OF THE DESIGN AND COMPLETION OF THE PUBLIC UTILITIES TRANSFORMER SHOP AND APPROVAL OF CHANGE ORDER NO. 3 FOR AN AMOUNT THAT EXCEEDS 10 PERCENT OF THE ORIGINAL PURCHASE ORDER AMOUNT**, and Item #7, **COMMUNITY BENEFIT REPORT**, which were moved to the Discussion Calendar:

Motion – Newberry, Jr., P.E. Second – Acharya.

Ayes: Hubbard, Anderson, Acharya, Sutter, Kraft, Newberry, Jr., P.E., and Barnhart.

Noes: None

Abstain: None

Absent: Bob Stockton (absent due to business)
Joe Tavaglione (absent due to business)

ELECTRIC ITEMS

(3) **UNDERGROUND ELECTRICAL INSTALLATION
WORK ORDER 0501778**

The Board of Public Utilities approved the estimated capital expenditure of \$150,000 for the underground electrical facilities to serve new warehouse/buildings at 2295 Eastridge Avenue and 6555, 6675 Box Springs Boulevard.

Funds are budgeted in the Distribution Line Extensions and Major Tract Distribution Accounts and will be predominantly reimbursed by the Developer.

(4) **THREE-PHASE 12 kV UNDERGROUND EXTENSION
WORK ORDER 644151**

The Board of Public Utilities approved the estimated capital expenditure of \$85,000 for the underground electrical facilities to serve Grove Community Drive street widening between Plainview Drive and Deercreek Drive for future church.

Funds are budgeted in the Distribution Line Extensions and Major Tract Distribution Accounts and will be predominantly reimbursed by the Developer.

(5) **ITEM MOVED TO THE DISCUSSION CALENDAR**

WATER ITEMS

(6) **WATER SYSTEM TRACT EXPANSION
WORK ORDER 0600002**

The Board of Public Utilities approved the estimated capital expenditure of \$100,475 for plan check, inspection, and 13 system connections for Tract 29519 (104 residential lots) at Overlook Parkway and Chateau Ridge Lane.

Funds are budgeted and available in the System Expansion Account and will be predominantly reimbursed by the Developer.

OTHER ITEMS

(7) **ITEM MOVED TO THE DISCUSSION CALENDAR**

(8) **UPGRADE THE CORE CASHIERING SYSTEM AND IMPLEMENT THE
IPAYMENT CALL CENTER MODULE**

The Board of Public Utilities:

1. Approved the Fifteenth Amendment to the Information Technology Agreement (STS # 063) with ACS Enterprise Solutions, Inc., for the upgrade of the CORE Cashiering System and the implementation of the "IPAYMENT Call Center" module, for an implementation/upgrade cost of \$65,281.12 and annual maintenance costs in the amount of \$8,000; and
2. Authorized the City Manager, or his designee, to execute the attached Fifteenth Amendment.

DISCUSSION CALENDAR

(5) **CANCELLATION OF THE DESIGN AND COMPLETION OF THE PUBLIC UTILITIES TRANSFORMER SHOP AND APPROVAL OF CHANGE ORDER NO. 3 FOR AN AMOUNT THAT EXCEEDS 10 PERCENT OF THE ORIGINAL PURCHASE ORDER AMOUNT**

Board Member Dave Barnhart requested this item be placed on the discussion calendar for more clarity on the issue. Mr. Barnhart wanted to know whose contract this was – Riverside Public Utilities or Building Services? Deputy Director Steve Badgett responded that Building Services Department was the lead on acquiring architectural services and the design of the transformer shop. Mr. Barnhart was also concerned regarding change orders 1 & 2 that staff should have anticipated the geotechnical services, which was apparently overlooked on the contract. Building Services Project Manager Ron Ostman explained to the Board the geotechnical work was beyond the original scope of services.

The Board of Public Utilities approved Change Order No. 3 in the amount of \$68,992 for additional work performed outside of the original scope of services and cancels the remainder of the Professional Services Agreement with Loring-Cruz, Inc.

Motion – Barnhart. Second – Kraft.

Ayes: Hubbard, Anderson, Acharya, Sutter, Kraft, Newberry, Jr., P.E., and Barnhart.

Noes: None

Abstain: None

Absent: Bob Stockton (absent due to business)
Joe Tavaglione (absent due to business)

(7) **COMMUNITY BENEFIT REPORT**

Vice Chair Jim Anderson requested this item be placed on the discussion calendar to suggest to staff to add to the report that the monies to support these benefits are partly generated from the customers' rate payments.

The Board of Public Utilities:

1. Approved the production and mailing of the "Community Benefits 2005 Annual Report"; and
2. Awarded the printing of this year's report to Offset Solutions, as the bid for printing this year's report is under \$50,000.

Motion – Anderson. Second – Acharya.

Ayes: Hubbard, Anderson, Acharya, Sutter, Kraft, Newberry, Jr., P.E., and Barnhart.

Noes: None

Abstain: None

Absent: Bob Stockton (absent due to business)
Joe Tavaglione (absent due to business)

(9) VICTORIA AVENUE PARKWAY REHABILITATION PROJECT – HARRISON STREET TO ADAMS STREET – AWARD OF BID NO. 6199

Deputy Director Steve Badgett reported that this project will convert existing overhead electric utility lines underground from Monroe Street to Adams Street and restore original landscaping, and a new irrigation system from Harrison to Adams Street. This project began in 1999 when the City of Riverside, in conjunction with Victoria Historical Preservation Project, also known as Victoria Avenue Without Wires (Victoria), applied for Transportation Enhancement Activities (TEA21) funds to help pay the cost to rehabilitate a two-mile portion of Victoria Avenue. The grant was awarded in 2000. Environmental and historical studies were then conducted. The final approval to release the funds to proceed with the work was received in January of 2005.

During the grant application process the project was originally anticipated to cost about \$876,000 for the electrical line conversion work and \$100,000 for the landscape work for a total of \$976,000. Also, the original landscape plan was based on a minimal drip irrigation system using surface laid flexible tubing. However, staff from the Park and Recreation Department felt that the proposed drip irrigation system would create many long term maintenance difficulties and recommended a more reliable (and more expensive) buried hard line system with bubblers.

In addition to the change in scope for a more reliable irrigation system, costs to perform both electrical and landscape construction have escalated since the original conceptual estimates were prepared five years ago. Based on the current bid, the total project will now cost \$1,550,000. After award of bid a reduction in scope of work will reduce the landscaping cost by approximately \$110,000.

In summary, the cost of the electrical portion of the job is approximately \$850,000, and the cost of the landscape portion will be approximately \$700,000, for a total project cost of \$1,550,000.

Mr. Dan Hays, president of Victoria Historical Preservation Project, spoke to express how pleased he was that this project was now underway. Mr. Hays stated that the landscaping for this project has a special meaning because there is a water main right down the median that will now water the lateral trees on the right-of-way.

Board Member Newberry, Jr., asked if once we enter into a contract will that stop the clock on losing the TEA21 monies? Principal Electrical Engineer John Sevey responded that once we have obligated the funds and we are authorized to proceed and have actually seven years to finish the job.

The Board of Public Utilities:

1. Approved the contract for construction of the Victoria Avenue Overhead to Underground Conversion Project – Harrison Street to Adams Street, Bid No. 6199, to the sole responsive bidder, PAR Electrical Contractors, Inc., Fontana, California, in the amount of \$1,391,288.95;
2. Approved the estimated capital expenditure of \$1,550,000 for Work Order 614901, which includes all design, contract work, contract administration, inspection, and change order contingencies for the Victoria Avenue Parkway Rehabilitation Project (this amount includes sufficient funds for award to the lowest responsive bidder); and
3. Authorized the City Manager, or his designee, to execute the necessary contract documents.

Motion – Barnhart. Second – Sutter.

Ayes: Hubbard, Anderson, Acharya, Sutter, Kraft, Newberry, Jr., P.E., and Barnhart.

Noes: None

Abstain: None

Absent: Bob Stockton (absent due to business)
Joe Tavaglione (absent due to business)

(10) ITEMS FOR FUTURE BOARD OF PUBLIC UTILITIES CONSIDERATION AS REQUESTED BY MEMBERS OF THE BOARD OF PUBLIC UTILITIES

None.

DIRECTOR'S REPORT

Director Dave Wright reported that Finance/Rates Manager Reiko Kerr was selected as the Employee of the Month for the City of Riverside.

- (A) Resources Update
This item was deferred to the next Board agenda.
- (B) List of Acronyms
- (C) Engineering Consultant Panel Participation
This item was not discussed and no decision to defer it to another meeting was mentioned.
- (D) Open and Closed Work Orders – September 2005
- (E) Monthly Update of Goals
- (F) Monthly Benchmark Report Cards – September 2005
- (G) Water Highlights – September 2005
- (H) Rolling Calendar Outlining Future Utility Projects as of October 14, 2005

- (I) City Council Agenda – October 11, 2005 and October 18, 2005
- (J) Farewell Remarks from the Assistant Director/Water
Assistant Director/Water Energy Dieter Wirtzfeld bid his farewell to the Board and how appreciative he was with all their support on water issues. Mr. Wirtzfeld summarized his vision for the future of Riverside's water department and the past long-term plans that have been completed by his water staff. Lastly, Mr. Wirtzfeld requested that the Board continue to support the water staff to complete their long-term plans for the future.

SYSTEMATIC REPORTING ON CONFERENCES / SEMINARS / BOARD MEETINGS

Board Chair Peter Hubbard and Board Member Lalit Acharya left the meeting at 9:05 a.m.

TOUR

(11) TOUR OF THE RIVERSIDE ENERGY RESOURCE CENTER (RERC) SITE

Principal Electrical Engineer Bob Gill and Generation Manager Chuck Casey conducted the tour of RERC with assistance by the contractor's staff. This tour began at approximately 9:10 a.m.

UPCOMING MEETING

Vice Chairman Jim Anderson adjourned the meeting at 10:00 a.m. to the next regularly scheduled meeting of the Board of Public Utilities to be held on **Friday, November 4, 2005**, at **8:15 a.m.** in the Art Pick Council Chamber at City Hall located at 3900 Main Street in Riverside, California.

By: 

David H. Wright, Secretary
Board of Public Utilities

Approved by: City of Riverside Board of Public Utilities

Dated: November 4, 2005